

Message Text

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PAGE 01 STATE 214301

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TO AMEMBASSY SAIGON

INFO ALEAP

USAGE NKP

CINCPAC

COGARD

AMCONSUL BIEN HOA

AMCONSUL CAN THO

AMCONSUL DANANG

AMCONSUL HONG KONG 0000

AMCONSUL NHA TRANG

USDEL JEC PARIS

TREASURY

XMT SUVA

AMEMBASSY RANGOON

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C O R R E C T E D C O P Y (PARA 12, 5 LINES OMITTED)

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SUBJECT:SEPTEMBER 27 EA PRESS SUMMARY

1. INDOCHINA

FULBRIGHT SAYS PRES AND HAK AT WH BREAKFAST WITH
CONGRESSIONAL LEADERS MEETING PUSHED FOR CONTINUING
RESOLUTION FOR FOREIGN AID AT LAST FY'S LEVEL TO
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PAGE 02 STATE 214301

AVOID PROPOSED RESTRICTIONS IN PENDING BILL AFFECTING

ASSISTANCE TO SVN, SK AND TURKEY (NYDN). WP'S MORGAN REVIEWS THEIR ATTEMPTS TO LIMIT RESTRICTIONS ON AID BILL THAT IS IN "DEEP TROUBLE." QUOTES MANSFIELD THAT BILL WOULD BE TAKEN TO FLOOR NEXT WEEK FOLLOWING ACTION ON CONTINUING RESOLUTION. LISTS SOME OF "UNPRECEDENTED RESTRICTIONS" ON BILL AS REPORTED OUT OF SFRC INCLUDING SHARP REDUCTIONS IN ECON AND MIL AID TO SVN, LAOS AND CAMBODIA; CEILINGS ON ALL TYPES OF SPENDING IN INDOCHINA; PHASE-OUT OF MIL AID TO SK BY 1977 BECAUSE OF "REPRESSIVE POLICIES" OF ROKG; AND TAKING AWAY OF PRES' AUTHORITY TO TRANSFER UP TO 250 MILLION WORTH OF PENTAGON STOCKS TO CAMBODIA FOR "NATIONAL SECURITY" REASONS. MORGAN SAYS SENATE AGREEMENT TO CONTINUE AID SPENDING AT OLD LEVELS WOULD KEEP PROGRAMS ALIVE UNTIL CONGRESS ADJOURNS, BUT ADMIN STRATEGISTS ARE RESIGNED TO "FURIOUS SENATE ASSAULT" ON AID BILL IN FORM OF NEW AMENDMENTS WHEN IT COMES

UP. COMMENTS THAT IF BILL DEFEATED, WH COULD STILL ATTEMPT TO REVIVE IT AFTER ELECTION; OTHERWISE, US POSTWAR MIL AND ECON AID "WOULD COME TO AN END."

VC SPOKESMAN SAIGON, COMMENTING ON US DISTRICT COURT ORDER OVERTURNING CALLEY'S CONVICTION FOR MY LAI KILLINGS, SAYS CALLEY RELEASE WOULD PROVE ONCE AGAIN THAT US CONTINUES TO "CREATE MORE SUFFERINGS" FOR SVN PEOPLE. ADDS THAT CALLEY RELEASE DOES NOT MATTER, BUT PROBLEM IS THAT US CONTINUES TO CAUSE SUFFERING BY USING THIEU ADMIN TO CONTINUE WAR (AP, WP). UPI SAIGON (CHITRIB) REPORTS THAT VIETS QUESTIONED RECENTLY ON COURT DECISION OVERTURNING CALLEY CONVICTION EITHER DIDN'T KNOW WHO HE WAS OR SAID THAT MY LAI MASSACRE WAS THING OF PAST. ONE COMMENTED THAT VIET PEOPLE HAVE "TOO MANY OTHER THINGS TO WORRY ABOUT."

AUTHORITATIVE SOURCES MAINTAIN DEPSECDEF CLEMENTS WILL ARRIVE IN SAIGON 10/1 (AP SAIGON). MCARTHUR (LAT 9/26) WRITES THAT FOLLOWING WARNINGS THAT AID CUTS HAVE REDUCED ARVN TO "VIRTUALLY STARVATION RATIONS," ADMIN DISPATCHING HIM TO BOLSTER MORALE AND UNCLASSIFIED

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PAGE 03 STATE 214301

SEE WHAT CAN BE DONE. WILL BE HIGHEST-RANKING AMERICAN VISITOR SINCE C-F AND ALMOST CERTAIN TO BRING ASSURANCES THAT ADMIN WILL CONTINUE TRYING TO "WREST MORE DOLLARS FROM A RELUCTANT CONGRESS." ARRANGEMENTS SECRET, BUT MCARTHUR QUOTES "AUTHORITATIVE SOURCES" THAT ARRIVAL WILL COINCIDE WITH RETURN OF AMB. MARTIN. MISSION WILL NOT CONFIRM CLEMENTS' TRIP BUT IS HARDLY SECRET THAT EMBASSY NOW

TOTALLY PREOCCUPIED WITH SUBJECT OF AID TO SVN.
MCARTHUR BELIEVES CLEMENTS WILL LOOK INTO INTERNAL
DOD BOOKEEPING SINCE DAO LONG DISSATISFIED WITH
PRACTICES THAT DIVERT AID DOLLARS TO OTHER COSTS,
INCLUDING SHIPPING, ADMINISTRATION, AND HARDWARE
THAT GVN DOES NOT WANT.

REVIEWS SECDEF SPEECH CLAIM THAT CUTS IN MIL AID
HAVE PUT ALLY "ON THE MILITARY EQUIVALENT OF STARVATION
RATIONS" AFTER HAVING TOLD THEM WE WOULD PROVIDE TOOLS
AND EXPECT THEM TO DO JOB. SEES SPEECH AND CLEMENTS
TRIP INDICATING ADMIN WILL KEEP TRYING FOR MORE MIL
AID. SAYS MARTIN UNDERSTOOD TO HAVE RELAYED ASSURANCES
BACK TO GVN DURING TWO MONTHS OF "BEHIND-THE-SCENES
WORK" IN WASHINGTON. STATES THAT OFFICIALS IN SAIGON
NOTE AID BILL TOO FAR ALONG FOR MAJOR CHANGES AND
FEEL - "PERHAPS WISHFULLY" - THAT PRES WILL MAKE
SERIOUS TRY TO GET SUPPLEMENTAL AID APPROPRIATION

FROM CONGRESS AFTER ELECTIONS; SIZE IS SPECULATIVE,
BUT WOULD BE AT LEAST 200 MILLION DOLS AND MAY BE
BASED ON CLEMENTS' REPORT ON RETURN TO WASHINGTON.
QUOTES RANKING OFFICERS' PRIVATE CONTENTIONS THAT SVN
NEEDS AT LEAST 800 MILLION DOLS FOR AMMO AND HARDWARE
ALONE; FIGURE LEAVES OUT SUCH THINGS AS MED SUPPLIES,
WHICH ARE SUBSTANTIAL SINCE HOSPITALS PRESENTLY HAVE
ABOUT 30,000 WOUNDED.

VIENTIANE OFFICIALS SAY SOUVANNA RECOVERING WELL ON
RIVIERA AND WILL RETURN ABOUT OCT 15 (WP; AP, NYDN).

PP OFFICIAL ANNOUNCES ASSOCIATION OF CAMBODIA TEACHERS,
OFTEN CRITICAL OF GKR, HAS BEEN DISBANDED (WP).
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PAGE 04 STATE 214301

2. KOREA

IN FIRST ANTI-GOVT STREET DEMONSTRATION SINCE APRIL,
ABOUT 1,500 RC PRIESTS AND LAYMEN HOLDING PRAYER
SESSION CLASHED WITH RIOT POLICE THURSDAY IN SEOUL
(WP, CHITRIB). AP (SEOUL) REPORTS AT LEAST TWO
DEMONSTRATORS WERE DETAINED BY POLICE, BUT REPORTEDLY
RELEASED LATER AFTER CROWD REFUSED TO DISPERSE UNTIL
THEY WERE FREED. ALSO THURSDAY NIGHT, STUDENT LEADERS
OF 12 COLLEGES AT SEOUL NATIONAL U MET ON CAMPUS AND
DEMANDED SCHOOL AUTHORITIES ALLOW THEM TO HOLD CAMPUS
CAMPAIGNS (NYT).

3. CHINA

PRES. NAMES BRUCE TO BE AMBASSADOR TO NATO, SUCCEEDING RUMSFELD (SUN, CHITRIB, NYT, CSM; UPI, BALT N-A 9/26).

REUTER'S SHARP, IN PEKING, SAYS LATEST MYSTERY IN "ENDLESS CHINA-WATCHING GUESSING GAME" IS MAO'S WHEREABOUTS. HE IS ALIVE, IN REASONABLE HEALTH, AND IN RECENT WEEKS MET AND CONFERRED WITH THREE VISITING HEADS OF STATE, BUT WHERE EXACTLY MEETINGS TOOK PLACE WAS NOT ANNOUNCED. MAO'S LAST APPEARANCE BEFORE BIG MYSTERY BEGAN WAS WHEN HE WAS PHOTOED IN-FAMILIAR BOOK-LINED STUDY WITH RAZAK MAY 29 IN CHUNGNANHAI; IN SEPT. 4 PHOTO WITH TOGO PRES, INSTEAD OF BOOKSHELVES BACKDROP THERE WAS DARK CURTAIN, AND TOGOLESE SOURCES REVEALED SITE WAS PEITAIHO. BUT PLOT THICKENED AGAIN WHEN SAME DARK CURTAIN APPEARED BEHIND PHOTO OF CHAIRMAN WITH MAURITANIAN PRES SEPT. 19, AND IT WAS

LEARNED THAT MEETING SITE WAS 90 MINUTES FLYING TIME OUT OF PEKING -- FAR LONGER THAN NEEDED TO REACH PEITAIHO.

CONFUSION COMPOUNDED WHEN NCNA, IN REPORT DATED IN PEKING, SAID MAO AND MAURITANIAN "MET HERE." THEN ANOTHER RUMOR STARTED CIRCULATING THAT, IN FACT, MAO WAS STAYING IN VILLA JUST OUTSIDE PEKING, AND 90-MINUTE FLIGHT STORY WAS INVENTED JUST TO FOOL UNCLASSIFIED

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PAGE 05 STATE 214301

EVERYBODY. SHARP SAYS TRUTH WILL DOUBTLESS BE KNOWN SOME DAY. WHAT MAY NEVER BE KNOWN -- AND THIS IS QUESTION CHINA-WATCHERS ASK THEMSELVES OVER AND OVER AGAIN -- IS WHY CHINESE CHOOSE TO KEEP DEEP DARK SECRET WHAT IN OTHER COUNTRIES WOULD BE ROUTINE INFO (9/26).

FOR SECOND TIME IN WEEK, CHOU RECEIVED FOREIGN VISITOR AT HIS HOSPITAL IN PEKING, SPENDING HOUR WITH MAURITANIAN PRES AND WIFE (NYT).

UPI (HK) SAYS EXPERT VISITORS WHO TOURED MANY PRC AGRIC AREAS RECENTLY AGREE WITH CHINESE PREDICTIONS THAT COUNTRY WILL REAP RECORD GRAIN HARVEST THIS YEAR, DESPITE WORST FLOODS IN MORE THAN 25 YEARS IN ONE KEY PRODUCING AREA AND SCATTERED DROUGHT CONDITIONS IN OTHER REGIONS (CHITRIB, JOC, WP). NCNA CLAIMS PRC'S GRAIN HARVEST LAST YEAR DWARFED ALL PREVIOUS RECORDS, EXCEEDING 250 MILLION TONS. QUOTES FIGURE NOTABLY HIGHER THAN WESTERN ESTIMATES, WHICH PUT LAST YEAR'S HARVEST AT 240 MILLION TONS. NCNA ALSO REPORTS THAT IN 25 YEARS SINCE ESTABLISHMENT OF PRC, CEREAL OUTPUT IN CHINA HAS

DOUBLED AND THAT EVERY CHINESE NOW GETS ABOUT 220 POUNDS MORE GRAIN YEARLY THAN IN 1949 (AFP, NYT).

JUST BACK FROM MORE THAN MONTH IN CHINA, DR. NORMAN BORLAUG (RECIPIENT OF NOBEL PEACE PRIZE FOR WORK IN INTERNATIONAL MAIZE AND WHEAT IMPROVEMENT CENTER IN MEXICO) SAYS PRC IS LIKELY TO CONTINUE HEAVY IMPORTS OF SYNTHETIC FERTILIZER AT LEAST UNTIL 10 US-BUILT MAJOR PLANTS ARE IN OPERATION IN 1978. GENERALLY, HE FOUND CHINESE SKILLED IN USE OF SYNTHETIC FERTILIZERS, THOUGH HE FOUND ONE CASE WHERE FARMERS WERE WASTING ROUGHLY 20 PER CENT OF PRODUCT BY TOP-DRESSING PADDY RICE WITH AMMONIUM NITRATE. ADDED THAT HIS PLANT STUDIES GROUP'S CHINESE HOSTS WERE RELUCTANT TO PERMIT VISITS TO FERTILIZER FACTORIES. MEMBERS OF GROUP CONFIRMED HK REPORTS THAT CHINA APPEARS HEADING FOR RECORD GRAIN CROP THIS YEAR (JOC).

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PAGE 06 STATE 214301

IN KUWAIT, PRC DEPUTY TRADE MINISTER CHAN PLEDGED PEKING'S SUPPORT THURSDAY FOR OIL STATES IN THEIR PRICING POLICIES. SAID, "WE LOOK AT THE PRICE OF OIL, AND WE FIND IT JUSTIFIED. WE ARE SUPPORTING THE OIL-EXPORTING COUNTRIES" (REUTER, NYDN; WP).

JOC'S BOGGISS, AT MONTREAL, OBSERVES THAT IN ITS FIRST APPEARANCE BEFORE ICAO ASSEMBLY, PRC "PULLED NO PUNCHES IN MAKING KNOWN WHERE ITS SYMPATHIES LIE" IN MATTER OF AIR TRANSPORT AND CIVIL AVIATION DEVELOPMENTS. CALLING CHINA DEVELOPING COUNTRY BELONGING TO THIRD WORLD, PRC CHIEF DELEGATE TU SHEN SAID ICAO'S WORK SHOULD BE BASED PRIMARILY ON SITUATION IN MAJORITY OF ITS MEMBER STATES, WHO IN FACT ARE SO-CALLED THIRD WORLD, NOT BASED MERELY ON WHAT MINORITY WANT. TU SAID HE HOPES ASSEMBLY WILL REDRESS DISPARITY IN THIRD-WORLD REPRESENTATION ON ICAO COUNCIL, AND IN BLAST AT UNNAMED SUPER-POWERS, TU CONCEDED THAT TECHNICAL HELP IS NEEDED IN EXPANSION OF CIVIL AVIATION IN DEVELOPING COUNTRIES.

VICE FM CHIAO ARRIVED UN THURSDAY TO HEAD PRC DELEGATION, ACCOMPANIED BY WHAT IS REPORTEDLY MAGNIFICANT CULTURAL DONATION TO WORLD BODY, ACCORDING REUTER. CHIAO DECLINED SPEAKING TO PRESS, AND WHAT CULTURAL DONATION CONSISTS OF HAS NOT BEEN REVEALED. HOWEVER, EIGHT CARTONS OF ORIENTAL ART WERE PLACED IN RENTAL TRUCK AND DRIVEN FROM KENNEDY AIRPORT TO PRC MISSION IN NY (9/26).

AP (LISBON) REPORTS PREDICTION IN NEWSPAPER THERE THURSDAY THAT PORTUGAL SOON WILL ESTABLISH DIPOMATIC RELATIONS WITH PRC AND MAY GIVE UP MACAO (NYDN).

EXPO '74 IN SPOKANE, WASH., WILL HOLD "CHINA WEEK" FROM OCT. 8 IN HONOR OF ROC, ONE OF 10 PARTICIPATING NATIONS (JOC).

ROC BOARD OF FOREIGN TRADE DIRECTOR SAYS COUNTRY MAY WIND UP WITH FAVORABLE 1974 FOREIGN TRADE BALANCE DESPITE 745 MILLION DOLS DEFICIT IN FIRST EIGHT MONTHS.
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PAGE 07 STATE 214301

HIS REMARKS CONTRASTED WITH PESSIMISTIC OPINIONS AIRED BY OTHER OFFICIALS WHO HAVE PREDICTED ONE BILLION DOLLAR DEFICIT THIS YEAR (UPI, JOC).

4. HONG KONG

JOC'S STRAUSS, IN HK, REPORTS HK AND SHANGHAI BANK'S

GENERAL MANAGER, IAN MACDONALD, WHO GEGARDS US DOLLAR AS STRONGEST CURRENCY FOR FORESEEABLE FUTURE, PLANS OPENING NEW SEATTLE OFFICE IN NOV.

5. JAPAN

ELEVEN OF TOP 13 JAPANESE BANKS NOW HAVE BRANCHES ON US WEST COAST (S-N 9/26).

FINANCE MINISTRY FIGURES ISSUED FRIDAY SHOW JAPAN'S OVERALL B/P DEFICIT MORE THAN DOUBLED LAST MONTH, EVEN THOUGH ITS TRADE BALANCE SHOWED MARKED IMPROVEMENT (REUTER TOKYO).

DOWNTOWN TOKYO SKYSCRAPERS SWAYED VISIBLY FRIDAY WHEN TWO EARTHQUAKES ROCKED JAPAN; NO DAMAGE OR INJURIES REPORTED (REUTER TOKYO).

WP'S SCHUMACHER, IN TOKYO, REPORTS MUTSU CREW FINALLY RECEIVED BADLY-NEEDED FOOD AND WATER THURSDAY, BUT ILL-STARRED SHIP CONTINUES AT SEA WITH NO END IN SIGHT TO ITS SEARCH FOR PORT. SAYS LATE REPORT REVEALS 56-MAN CREW IS RESTLESS AND, IN PETITION TO CAPTAIN HAS THREATENED TO REFUSE FURTHER RESUPPLY IF DECISION ON DESTINATION IS NOT REACHED WITHIN WEEK.

6. AUSTRALIA

WHITLAM DEPARTED FRIDAY FOR 18-DAY VISIT TO N. AMERICA AND S. PACIFIC -- IGNORING STORM OF PROTEST BY PARLIAMENTARY OPPOSITION FOR LEAVING COUNTRY AT TIME OF ECONOMIC CRISIS. OPPOSITION ATTACKS WERE ECHOED BY SOME AUSSIE NEWSPAPERS (REUTER SYDNEY).
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PAGE 08 STATE 214301

GENERAL PAPERS REPORT SHAH OF IRAN'S BLAST AT US OVER STATEMENTS ON OPEC OIL PRICES. SAID HE IS READY TO TAKE ON GE,GM, AND "ALL THE OTHER GENERALS THEY HAVE."

7. THAILAND

GLOBE'S CHRISTY REPORTS THAI STYLES ARE MAKING MARK IN US, AS BANGKOK HAS BECOME ONE OF FASHION'S NEWEST CENTERS. THAI-MADE CLOTHES HAVE BEEN BOUGHT BY 800 US STORES.

8. SUGAR IMPORTS

USDA ANNOUNCES ADDITIONAL 600,000 METRIC TONS OF

SUGAR CAN BE IMPORTED TO US UNDER ITS QUOTA SYSTEM. ASIA SHIPPERS WILL BE ALLOWED TO INCREASE THEIR US SALES AS FOLLOWS (IN TONS): PHILIPPINES 144,177; AUSTRALIA 22,812; ROC 9,497; FIJI 4,999; AND THAILAND 2,090 (CNS, JOC).

COMMENT AND ANALYSIS

9. KOREA

LAT'S JAMESON (SEPT 26) IN SEOUL SAYS POLITICAL ARRESTS HAVE STOPPED AND "SOFTENING OF THE MOOD" IN KOREA HAS OCCURRED SINCE PARK LIFTED TWO EMERGENCY DECREES. INSTEAD OF ARRESTS AND JAIL SENTENCES, PARK AGENTS HAVE SUBSTITUTED DETENTIONS, INTERROGATIONS AND WARNINGS; AND INSTEAD OF FORBIDDING CRITICISM OF THE AUTHORITARIAN CONSTITUTION, PUBLICATION OF SUCH CRITICISM HAS BEEN PROHIBITED.

CITES INDEPENDENT OBSERVERS AS PREDICTING THAT PARK PROBABLY WOULD PERMIT DEGREE OF REAL POLITICAL ACTIVITY WITHIN NATIONAL ASSEMBLY. NDP LEADER KIM YOUNG SAM SAID HE WILL PROPOSE THAT OPPOSITION AND MAJORITY PARTY LEGISLATORS ESTABLISH COMMITTEE TO WORK OUT REVISIONS
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PAGE 09 STATE 214301

TO 1972 CONSTITUTION WHEN HE DELIVERS HIS FIRST MAJOR POLICY ADDRESS TO ASSEMBLY EARLY NEXT MONTH. MOST CONTROVERSIAL OF HIS PROPOSALS WAS LIKELY TO BE THAT THE PRES ACCEPT DIRECT PUBLIC ELECTION AND LIMIT OF TWO 4-YEAR TERMS.

TWO NEW CABINET APPOINTMENTS ALSO CONTRIBUTED TO MOOD OF OPTIMISM. NAMED AS JUSTICE MIN WAS HWANG SAN TOK, UNIVERSITY PRESIDENT AND FREQUENT CRITIC OF PARK; YI WON KYONG, HAPDONG NEWS AGENCY PRES, NAMED MIN OF CULTURE AND INFO. OBSERVERS SAW HOPE THAT NEW APPOINTMENTS MIGHT BRING FRESH LOOK BUT PREDICTED NO MAJOR CHANGE IN PARK POLICIES. INDICATIVE OF THIS, JAMESON REPORTS KIM DAE JUNG IS STILL UNDER VIRTUAL HOUSE ARREST AND AGENTS ASSIGNED TO "GUARD" HIM HAVE BEEN INCREASED; YUN PO SUN HAS BEEN HARASSED BY SEOUL TAX OFFICERS AND MAY LOSE HIS HOME.

10. CHINA

CSM'S PEGGY PRINTZ IN HK DESCRIBES HOW US FIRMS DO BUSINESS WITH BOTH PRC AND TAIWAN, CHARACTERIZING SITUATION AS VERY MUCH LIKE MAN TRYING TO COURT TWO SISTERS. OBSERVES THAT TRADING WITH BOTH NEED NOT BE AN "EITHER...OR" BUSINESS, SINCE NEITHER INSISTS ON

MUTUALLY EXCLUSIVE TRADING PARTNERS; AND THOUGH CHINA IS SUCCEEDING IN ISOLATING TAIWAN DIPLOMATICALLY, WHEN IT COMES TO DOLLARS AND CENTS PEKING APPEARS MORE PRAGMATIC. CITES AMERICAN CLOSE TO SCENE THAT CHINESE PROBABLY WELCOME FOREIGN DEVELOPMENT ON TAIWAN, "THAT WAY, IF THEY EVER CONTROL THE ISLAND, THEY CAN TAKE OVER A GOING CONCERN."

MOST US COMPANIES APPROACH CHINA-TAIWAN SITUATION AS THEY DO TRADE WITH PRC AND USSR, THAT IS, PROCEEDING WITH POLICY THATMWHAT THEY DON'T KNOW WON'T HURT THEM." BUT EXPERIENCED TRADER ADVISES, "IF YOU'RE UNCLASSIFIED

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PAGE 10 STATE 214301

ASKED, BE HONEST AND TELL THEM" ABOUT DOING BUSINESS WITH THE OTHER SIDE. "IF YOU'RE NOT ASKED, DON'T SAY ANYTHING."

11. AUSTRALIA

LAT'S LAMB (SEPT 26) IN SYDNEY DISCERNS QUERULOUS MOOD AMONG AUSSIES, UNDECIDED AS TO WHETHER THEY WANT TO BE BACKWATER OR WAKE OF 21ST CENTURY. WHITLAM, WHO BROUGHT AN EXCITING ERA OF CHANGE - NEW INDEPENDENT-MINDED FOREIGN POLICIES, AN INTEREST IN ARTS AND ABORIGINES, BELIEF THAT AUSTRALIANS SHOULD START TO BELIEVE IN AUSTRALIA - AT LEAST MOVED AUSTRALIA INTO 20TH CENTURY. BUT HIS MOMENTUM IS GONE. GOA IS WRESTLING WITH SOURING ECONOMY; ITS CAUCUS, COMPRISED LARGELY OF INARTICULATE MEN WHO HAVE RISEN THROUGH UNION RANKS, HAS BEEN UNCERTAIN AND UNIMPRESSIVE. THERE ARE FEW NEW FOREIGN POLICY INITIATIVES TO TAKE AND ABORIGINES ARE NO LONGER ISSUE. INFLATION IS CLOSING IN AT 20 PERCENT RATE, UNION MILITANCY IS CLEARLY OUT OF HAND, AND WHITLAM IS BEING CHALLENGED BY ALP'S POWERFUL LEFT WING. THUS, AUSTRALIA, WHICH JUST YEAR AGO THOUGHT IT HAD FOUND NEW DIRECTION UNDER WHITLAM, NOW QUESTIONS ITS CHOSEN PATH AGAIN. IT IS TREADING WATER, LACKING LEADERSHIP AND VISION.

12. VIETNAM

OBE EDIT REFERS TO CLEMENTS VISIT TO SAIGON, REPORTEDLY TO EXHORT GVN TO KEEP POWDER DRY AND TO REASSURE THEM THAT DESPITE DOVISH SENTIMENTS IN CONGRESS, US IS STILL BEHIND THEM. NOTES THAT FOR THIS FY, CONGRESS ALREADY HAS APPROPRIATED 700 MILLION DOLS FOR ARMS FOR SAIGON, REMARKING THAT IF FORD HAS HIS WAY, THIEU REGIME WOULD GET TWICE AS MUCH. SAYS US TRAVAIL IN VN HAS PROVEN THAT IT IS NOT SHORTAGE OF WEAPONS BUT LACK OF WILL, THAT THE VIETS FAILED TO DEFEAT THEIR COMMUNIST ADVERSARIES, AND "NO ONE ANY LONGER CAN MAINTAIN A STRAIGHT FACE IN PREDICTING THAT JUST A FEW EXTRA DOLLARS SURELY WILL TURN THE LAST CORNER." "TIME IS LONG OVERDUE TO CUT OFF AID. CONTINUING HIGH LEVEL OF US AID TO THIEU ONLY UNCLASSIFIED

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PAGE 11 STATE 214301

EXPANDS HIS MIL ESTABLISHMENT, CREATING STILL GREATER DEMANDS FOR SUPPORT."

PAPUA-NEW GUINEA

WP'S GREENWAY WRITES FEATURE ON MISSIONARY ACTIVITIES IN PNG. NOTES THAT RELATIONS BETWEEN CHURCH AND STATE HAVE OFTEN BEEN UNEASY BECAUSE BOTH MISSIONARIES AND GOA ADMINISTRATORS WERE SURE THAT THEY ALONE KNEW WHAT WAS BEST FOR THE PEOPLE. HOWEVER, SINCE PNG WAS

GRANTED INTERNAL SELF-GOVT LAST DEC. RELATIONS BETWEEN MISSIONARIES AND NEW INDIGENOUS GOVT HAVE BEEN FAIRLY GOOD. IT WOULD BE DIFFICULT FOR PNG GOVT TO GET ALONG WITHOUT MISSIONARIES, WHO OPERATE NEARLY TWO-THIRDS OF COUNTRY'S 1,483 PRIMARY SCHOOLS, AND 31 OF 67 HIGH SCHOOLS. IN RECENT YEARS CHURCHES HAVE ALSO BEEN TRYING TO BRING MORE NATIVE PRIESTS AND MINISTERS INTO THEIR RANKS. KISSINGER

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